Financial Information System: New System Provides Kenya's Health Ministry with the Big Picture on Program Performance

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APHIA Financing and Sustainability Project
FINANCIAL INFORMATION SYSTEM

New system provides health ministry with the big picture on program performance.

Putting Kenya's health care system online

A new financial information system now provides Kenya's Ministry of Health with a broad, in-depth picture of the performance of the nation's cost sharing program and finances. And it gives Provincial Medical Officers the information they need to oversee and supervise the expenditures of cost sharing revenues. The system provides performance information on revenues, money banked, approved expenditures, money spent, and both outpatient and inpatient utilization statistics at all cost sharing facilities.
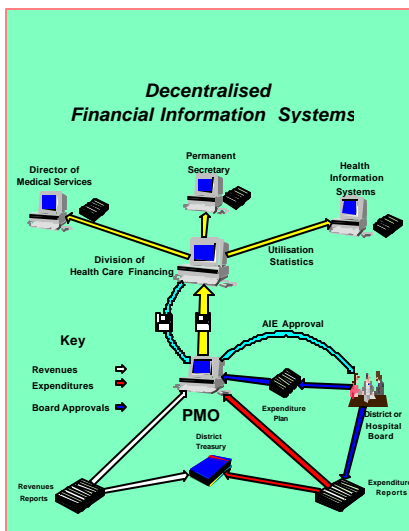
How did it begin?

Developed under the APHIA Financing and Sustainability (AFS) project, the system is linked by regular data transmission with the Division of Health Care Financing (DHCF) at MOH in Nairobi. A consultant recruited by AFS worked with DHCF and provincial staff to redesign the existing system to provide greater flexibility and more complete information. Staff critique and subsequent training followed testing at Coast Provincial General Hospital in July 1999. Clerical staff were trained in basic computer skills, then on the system itself. Since installation, there have been nine upgrades.

AFS also installed modems and e-mail accounts in all provincial medical offices and at HQ. Now, Provincial Medical Offices, the Division of Health Care Financing, and the offices of the Permanent Secretary and Director of Medical Services have financial information at their fingertips.

Decentralised Financial Information Systems

What are the benefits?

Before the financial information system was in place, cost-sharing revenues and expenditures were not tracked effectively, and because all data were compiled at HQ, it was the central Ministry that approved all expenditure decisions. The new system gives Provincial Medical Officers the information they need to manage the money. They have been delegated the responsibility to authorize expenditures, which greatly reduces the time required for approvals and means that the expenditure of cost sharing monies on service improvements is much faster than ever before. The system has other benefits also:

Decentralized management: With data management decentralized, data collection and entry are one big step closer to those who use information for day-to-day program management. This has made it easier for the HQ DHCF to focus on oversight and troubleshooting of the cost sharing program. For the first time, every province is connected with headquarters by email.

Better use of information for management: In the two years the system has been up and running, the level of information use at the provincial level has increased dramatically, from clerical staff to the Provincial Medical Officers. Part of

the reason the system has been so successful is that it has become a part of Ministry procedures, and staff have become increasingly knowledgeable about how to make it work for them.

Building local capacity In addition, AFS and the consultant concentrated on creating capacity within the DHCF to support the system. All day-to-day operations and support of the system have been managed entirely by Ministry of Health personnel since February 2000. The only outside support has been programming upgrades.

Simple modular approach: The modular system is simple and flexible. It can grow with the desire and need for more information just by adding additional reporting modules. The system was set up with a small budget, and it works.

Regular review by users: System users meet twice a year to discuss problems with the system and request new features. Some provinces are beginning to extend use of the information to the district level. In Coast Province, for example, all district hospitals now have computers, and they are now getting quarterly feedback reports based on the information they submit, via e-mail. A next step would be to connect district hospitals into the financial information system, so that they can input information directly and make use of the information themselves.

What are the challenges?
The DHCF uses performance information to focus supervisory and training efforts on facilities that are not performing well. Provincial Medical Officers need to use the same approach.

Provincial Medical Officers also need to be vigilant in making sure all necessary information is collected and put into the system, particularly expenditures. While information is now more readily available, it's not all being used for management.

The system needs to be further developed to take information from the various provincial offices and pull it together to create a summary national picture. This would be useful for individual Provincial Medical Officers, who could use the information to compare their position with the national averages.

What's in the future?
The Ministry is considering expanding the system with continued support from USAID and other donors, turning it into a full performance-monitoring system that would be completely decentralized. This would complement the Ministry's plan to decentralize hospital administration, and retain analysis and policy making functions at HQ. Extending the computer systems to district hospitals would be a first step in making this a useful tool for district-level management, and a more comprehensive system overall.

APHIA Financing and Sustainability Project
Implemented by Management Sciences for Health under USAID Contract No. 623-0264-C-00-7005, the project worked with Kenya's Ministry of Health and hospitals across the country to improve organizational performance and quality of services, control costs, increase revenues (and cash collection), and improve patient and staff satisfaction. The purpose of these activities was to improve the quality of care provided by the hospitals, as well as institutional sustainability.